



Colloquium Brief: The Chinese People's Liberation Army in 2025

August 27, 2014 | Mr. R. Lincoln Hines

U.S. Army War College

The National Bureau of Asian Research, and

The U.S. Pacific Command



Key Insights.

- Domestic, external, and technological drivers of China's military modernization are examined.

- Three plausible scenarios for the modernization of the Chinese People's Liberation Army (PLA) that result from these drivers are explored.
- Implications of these futures for regional dynamics, the international system, and U.S.-China strategic dynamics are considered. Also, the potential "wild card" events which could undermine the futures discussed are explored.

Introduction.

Leading experts on the Chinese military gathered at Carlisle Barracks, Pennsylvania, on February 21-23, 2014, for a discussion on “The PLA in 2025.” The conference was convened by The National Bureau of Asian Research, the Strategic Studies Institute of the U.S. Army War College, and the U.S. Pacific Command.

Over the past 20 years, leading scholars and experts on the Chinese military have gathered at the annual People’s Liberation Army (PLA) Conference to discuss important trends in the modernization of China’s military. The series of annual volumes that result from these conferences has become an authoritative benchmark on the pace, scope, and scale of China’s military modernization.

For the foreseeable future, China’s military modernization will be of significant consequence for security in the Asia-Pacific region and for U.S. national interests. In an effort to better understand critical trends in China’s military modernization, the 2014 PLA Conference asked authors to “look over the horizon” and conduct an assessment of the PLA in 2025-30. This analysis builds upon years of retrospective analyses at Carlisle.

Conference participants examined three plausible futures for the PLA’s modernization. The futures considered by conference participants are not exhaustive, but they provide a common analytical starting point for examining the breadth of potential trajectories in China’s military modernization. To assess various components of these alternative futures, conference organizers structured the discussions as follows:

- Conference participants first examined the domestic, external, and technological drivers of China’s military modernization.
- Participants then explored three plausible scenarios for PLA modernization that result from

these drivers.

- Last, participants considered the implications of these futures for regional dynamics, the international system, and U.S.-China strategic dynamics. As well, participants explored the potential “wild card” events which could undermine the futures discussed.

Projecting into the Future: Cautions and Limitations.

Future-oriented assessments of the PLA must be made cautiously, and any attempt to project into the future will face several limitations. First, dynamic and interconnected inputs produce a wide spectrum of potential trajectories for China’s military modernization. For example, military procurement plans and China’s more enduring national security interests may support the assumption that the PLA’s modernization will be somewhat linear and predictable. However, the interplay among the multiple domestic and external drivers of the PLA’s modernization, as well as the possibility of low probability, but high impact “wild card” events, could plausibly derail such a straight-line projection.

Second, analysts need to be cognizant of their own biases when interpreting these trajectories. One must be careful not to view every trend through a threat-based lens. For example, China’s numerous domestic challenges and precarious external environment could support the conclusion that China will become much more assertive in the realm of foreign policy. These same inputs, however, could be interpreted to mean the very opposite—that China may be more restrained as its attention is diverted to domestic interests.

The futures considered by the conference participants are not necessarily mutually exclusive. The PLA of 2025-30 may not fit perfectly within any of the categories discussed. Nevertheless, such categorization is necessary to clarify the variables that will be most determinative of the PLA’s trajectory, and for understanding the breadth of potential security challenges in the Asia-Pacific region of the near future.

Domestic, External, and Technological Drivers of PLA Modernization.

China’s military modernization will be driven by a number of interconnected factors that can be broadly categorized as: 1) domestic drivers; 2) external drivers; and, 3) technological drivers. Each of these inputs must be accorded proper weight and factored together.

One of the drivers of China's military modernization will be its perceptions of security interests and foreign policy orientation. Domestic drivers could play a key role in determining China's security calculus. These domestic drivers include a combination of political pressure and restraints. China's meteoric rise since its reform and opening policies of the late-1970s has lifted millions of people out of poverty and has unleashed profound social, economic, and environmental changes. The Chinese Communist Party's (CCP) ability to respond and adapt quickly and effectively to these changes could be determinative of China's future stability and foreign policy orientation.

As a result of the enormous changes in Chinese society, the CCP is increasingly under stress. The number of mass incidents in China has been steadily increasing in recent years. This increasing pressure could lead Chinese leaders to view a more active and outward-looking foreign policy as a useful tool for managing domestic unrest. The CCP could use a crisis for diversionary purposes or to respond to mounting and virulent nationalism. To meet the needs of rising Chinese nationalism, China would need a military capable of asserting its territorial claims. On the other hand, a People's Republic of China overwhelmed by domestic concerns might be more concerned about internal stability and less likely to assert itself in international affairs. To determine the weight of this variable—the influence of domestic unrest and nationalism on foreign policy—it will be key to understand how much freedom the Chinese leadership has from public pressure to pursue an autonomous foreign policy, and to understand what capability the leadership has to manage domestic unrest.

In addition to these internal drivers, external variables—notably China's bilateral relationship with the United States and developments in its immediate neighborhood—will also influence the trajectory of the PLA's modernization. Currently, China's force structure is primarily oriented toward a Taiwan Strait contingency in which the likelihood of U.S. military support is the most significant factor in China's security calculus. If the United States becomes weakened, distracted, or takes a more isolationist approach to international affairs, it may allow Chinese leaders the opportunity to take a more forceful regional posture. The PLA could also focus more on regional crises other than Taiwan, and it might spend even more on so-called “anti-access/area denial capabilities”—focusing on the United States in terms of short-range capabilities. Such capabilities, in the event of a conflict, could complicate efforts by the U.S. Navy to secure unfettered access in China's near periphery. On the contrary, if China's relations with the United States improve significantly, both countries could contribute more public goods to the global community. Thus, in all of China's disputes in the region, the United States weighs heavily into China's security calculus.

As such, U.S.-China relations will be a significant factor in determining the shape and role of the PLA in the future.

Regional actors will also factor into China's security calculus. China is currently involved in territorial disputes in the East and South China Seas, and it will have to factor potential regional flashpoints into its military planning. China will have to develop forces to help assert its territorial claims and complicate any U.S. efforts to intervene. Likewise, China shares a border with the often unpredictable, and potentially unstable, North Korean regime. China must decide whether it should prepare for the collapse of the North Korean regime or continue playing its traditional role vis-à-vis North Korea. If North Korea were to collapse, China potentially would have to cope with a flood of refugees, loose nuclear material, and China could suddenly find itself bordering a unified Korean Peninsula allied with the United States. In summary, China's security calculus and military planning will have to factor in the influence, not just of the United States, but of the regional balance of power.

These regional drivers will also influence the modernization of China's nuclear forces. Russia and India's nuclear forces, as well as the potential for a nuclear Japan in the future will all factor into China's security calculus. Depending on the regional balance of nuclear arms, Chinese security planners nevertheless will have to create a reliable and credible nuclear deterrent.

There are also trends that pull China's military outside of the region—as is manifest in China's most recent *Defense White Paper*. As Chinese citizens continue to travel and live abroad, China will need the ability to protect its citizens. Likewise, as China's economy and overseas investments continue to expand, China will need to develop the capability to protect these interests. The PLA will thus have an impetus for developing its military capabilities to respond to nontraditional security needs. These trends, pulling China out of the region, will also be strengthened if China understands the soft power benefits of providing humanitarian assistance.

In addition to internal and external drivers for PLA's modernization, the makeup of the PLA of 2025-30 will also depend on the PLA's technological prowess and ability to innovate. China's military spending has grown rapidly and far exceeds the spending of its regional neighbors; according to some estimates, Chinese defense spending accounted for nearly half of the total military spending increase in the entire Asia-Pacific region in 2013. The PLA's technological capabilities have improved significantly, as China has increased research and development spending. Despite China's increased defense spending, rampant corruption, and inefficient

resource allocation limit China's innovative capacity.

Even if China's military becomes more technologically advanced, these technologies must be leveraged in such a way that gives China a strategic or tactical advantage. If China's technological advancements are disconnected from tactical or strategic goals, these developments will have a lesser impact on PLA modernization. On the other hand, China does not necessarily have to reach technical parity with the United States to complicate any U.S. efforts to intervene in the event of a regional crisis. With this in mind, the threshold the PLA must cross to be problematic for U.S. strategic aims becomes much lower.

Alternative Futures for the PLA.

The aforementioned drivers will likely determine the trajectory of China's military modernization. There is a wide breadth of potential trajectories for PLA modernization. The conference focused on three plausible outcomes for Chinese military modernization: 1) a regionally focused PLA; 2) a global expeditionary PLA; and, 3) a severely weakened PLA.

The first two scenarios considered by the conference participants—a regionally focused PLA and global expeditionary force—share several similarities. With increasing military capabilities, the PLA's regional and global orientation will likely be driven by a combination of strategic and political concerns. Regionally, even if the Taiwan dispute becomes less of a priority for the PLA in 2025-30, a continuation of territorial disputes in the East and South China Seas will likely anchor the PLA's focus to its immediate region. Yet, China's military will increasingly be drawn out of the region as China's interests continue to become more globalized. If Chinese citizens and investments continue to spread outside the region, Chinese forces will need the capability to protect these interests.

Though a regionally focused PLA and a global expeditionary PLA share several similarities, they are also distinctly different in scope. If the PLA is anchored regionally, it will not necessarily need to invest in certain capabilities, such as nuclear powered submarines. A global expeditionary PLA, on the other hand, will require a substantial increase in the numbers of large scale transport equipment, landing platform dock ships, and amphibious ships. Similarly, a robust global PLA will require expeditionary air forces. As these differences indicate, the equipment procured by the PLA will play a significant role in determining the scope, scale, and mission of the PLA. If the PLA of the future is more global and expeditionary in scope, the United States will need to determine if

this future suits U.S. interests. A more global PLA could supplement U.S. efforts at promoting global security or, conversely, its actions could compete with those of the United States.

The third vector for PLA modernization, a weakened PLA, shares few similarities with the global expeditionary force, but has more in common with a regionally focused PLA. This is because a weakened PLA would likely have to reallocate resources away from developing power projection abilities and focus on more pressing demands such as maintaining territorial integrity or defending against an attack in its near periphery. Though it is difficult to envision the circumstances that might lead to a weakened PLA, it is not unimaginable.

There are several external and internal factors that could produce a weakened PLA. For example, if the Chinese military engaged in a costly military conflict, this conflict could weaken the PLA. However, though the territorial disputes in China's near periphery are tense, the likelihood of a large-scale conflict in the near-term appears to be low. A domestic variable, such as a sharp economic downturn, could also result in a weakened PLA. If China experienced an economic crisis, it could result in instability across China, perhaps in China's autonomous regions (Tibet and Xinjiang). Dwindling economic resources combined with altered security interests (e.g., maintaining social stability and territorial integrity) may lead China to reallocate its resources away from PLA modernization, and it could choose to adopt a more inward orientation. It is, however, necessary to clarify that an economic downturn would not preclude increased military spending, as increased investments in the PLA could act as a stimulus for the economy. In the past, China has shifted its focus away from military modernization in favor of elevated domestic concerns.

If China did reduce its military spending, the impact may be uneven across the services. For example, due to the disproportionate size of the PLA ground forces, China may attempt to reduce the size of the PLA ground forces (a process which appears to already be underway). There would likely also be more emphasis on heavy lift assets, quick-response technologies, and new aviation brigades. Even if the PLA Air Force develops fifth generation fighters, it would not be able to field many of them. Conversely, a decline in forces may increase the value of asymmetric forces such as those in China's Second Artillery Corps.

A weak PLA could pose new challenges for regional security and for U.S. interests. China's regional neighbors could exploit China's military weakness, raising a host of new security challenges. Alternatively, a weakened Chinese military could act more assertively in the region to

take advantage of its position of strength before going into decline. There is, in fact, historical precedent for China engaging in military conflict when its military is weak, as it did during the Korean War and during China's brief war with Vietnam in 1979. These examples illustrate the hazards of drawing the simplistic conclusion that a weak PLA would necessarily serve the interests of the United States or regional security.

Implications for the Region, World, and U.S.-China Relations.

These vectors for PLA's modernization and, more generally, the trajectory of China's economic, political, and security influence will be of significant consequence for the Asia-Pacific region, the world, and U.S.-China relations. Countries in the Asia-Pacific region are tailoring their strategic approaches in accordance with their respective perceptions about the level and nature of the threat posed by the PLA. Japan, regardless of the PLA's orientation, will likely view the PLA's capabilities as threatening. Therefore, Japan will likely continue improving its strategic relationships with Australia and India. Taiwan, will continue to feel threatened by the PLA, but depending on the results of its own defense modernization—to a smaller and more agile force—and Taiwan's willingness to resist, it could significantly raise the costs of a conflict for the PLA. Vietnam remains vulnerable on its land border with China, but could more effectively resist the PLA Navy in its nearby seas if it unifies its command and control structure. Perceptions of a potential Chinese military threat plays a smaller role in the Republic of Korea's (ROK) military modernization plans. Though the ROK's military is undertaking an ambitious modernization program and is seeking to be a larger geostrategic player, this has less to do with China, and more to do with the threat posed by North Korea.

Further from China's periphery, countries must prepare for a more expeditionary PLA. Australia, whose security relationship vis-à-vis China is primarily viewed through its security alliance with the United States, would need the ability to defend itself against an expeditionary PLA. If Australia's military modernization succeeds, it would be more capable of fending off any potential challenges posed by the PLA. India, primarily concerned with a mountain strike on its Northern Frontier, would seek to maintain the capability to interdict Chinese sea lanes. Therefore, India is concerned with the scope and pace of the PLA's naval modernization.

The PLA's modernization will also have significant implications for the international system. If China becomes a larger regional power, it may become more competitive with the United States in Asia, seeking marginal change in Asian security arrangements, while becoming increasingly

cooperative in terms of trade. If the PLA becomes a global expeditionary force, it could take on more international responsibilities, or it could undermine U.S. objectives. It is unlikely that China would seek to fundamentally alter the U.S.-led international order. This is because China would not likely risk a large-scale conflict, nor would it want to take on the responsibility of leading the world order. (A large-scale conflict with the United States could devastate China's economy, as well its political and social stability.) Even if China does not seek, or even if it lacks the ability, to alter significantly the global order, smaller changes may accumulate over time. China does not need to have an alternative vision of the world order to create smaller alternative institutions and rules. If the PLA is not a global expeditionary force, but is instead weakened, it could have fewer resources at its disposal, and it would be less able to act outside the region. China would likely be focused mostly on issues such as sovereignty and noninterference—which does not necessarily mean China would be more prone to confrontation, nor does it mean China would have an increased willingness to cooperate.

Since the United States is the current global superpower and China is the foremost rising power, U.S.-China relations will likely underpin the future global order. Though at times the security dimension of U.S.-China relations can be tense, it is important to remember the broader context of U.S.-China relations. Continued engagement and economic interdependence between the United States and China has and can continue to temper many of the more competitive elements of the relationship. Additionally, China has a precarious external security environment and faces several domestic obstacles. Therefore, China would face serious constraints in any attempt to challenge the U.S.-led global system. Additionally, though China's global power is increasing, its largest investments and security challenges lie in the Asia-Pacific region. China's poor management of relationships with these countries in its immediate periphery make it difficult that China, even with a modernized military, could challenge the U.S. dominance within the Asia-Pacific region. Regardless of China's increasing military power, China must improve its soft power to increase its regional and global influence.

Wildcards.

Looking at current trends and projecting into the future is difficult. “Black swan” events—those with low probability and high impact—often upend the most rigorous future-oriented assessments. Few analysts could have foreseen the sudden collapse of the Soviet Union or how the September 11, 2001, terrorist attacks would fundamentally alter U.S. foreign and security policy. China has several factors that could lead to domestic instability and has a fairly precarious external

environment, and could therefore experience a similarly fundamental rethinking of its security outlook.

Domestically, the CCP is under pressure. If the CCP were to collapse, it could radically alter China's security concerns. This could result in chaos, a transition to another illiberal form of government, or it could potentially result in a transition to a liberal democracy. The collapse of the Chinese state could even lead the PLA to become more involved in China's domestic political affairs. On the other hand, if China's political system transitioned to a liberal democracy, many of its national security interests would likely endure, however, such a transformation would likely diminish the ideological component of U.S.-China tensions and increase the likelihood of a peaceful unification with Taiwan.

Exogenous factors could also reorient China's military posture. The Association of Southeast Asian Nations could begin to act as a more cohesive balance to China. India could become a more effective strategic actor compelling China to focus its resources toward Western and Central Asia. Unification in the Taiwan Strait could result in a more inward focusing Chinese policy. A collapse of the North Korean regime or unification of the Korean peninsula could exacerbate China's insecurities. As for China's largest competitor, the United States, an isolationist U.S. policy or one that is perceived as weak could lead China to take a more assertive approach toward its regional neighbors. Overall, these "wild card" scenarios illustrate how quickly security calculations can change. Even if China's military capabilities are slow to change, these "wild card" events could rapidly alter China's security calculations.

The PLA in 2025-30.

Overall, this conference illustrated the breadth of drivers that will determine the future of the PLA's modernization. These drivers are interconnected and will interact in numerous and unexpected ways and they will produce a wide range of potential outcomes for the PLA's modernization efforts. By assessing the drivers, potential trajectories, and implications of the PLA's modernization programs, policymakers can have a clearer understanding of how to think about the future and determine which variables warrant the most attention.

Assessments of the various potential trajectories for PLA modernization must be approached cautiously—with awareness of biases and an understanding that "wild card" events can upend the most rigorous of assessments. U.S. policymakers must also have a clear sense of how these

developments relate directly to U.S. security interests and their implications for regional security. Further research should determine the weight of the various domestic and external variables discussed above. In terms of the PLA's technical capacity, policymakers should think clearly on how much technology China needs, not just to project power, but to limit U.S. maneuverability and weaken its security commitments in the region.

Each of the alternative futures discussed share some similarities, particularly in terms of the PLA maintaining some regional component, yet much of China's future outlook will be determined by the technology it procures. Additionally, trends could pull China outside of the region, and U.S. policymakers need to understand if this serves or undermines U.S. interests. Policymakers must also be clear about the implications of a weak PLA for regional security. Last, China's military modernization must not be divorced from broader trends in its security environment—particularly the role of economic interdependence and efforts at regional institution building.

The views expressed in this Colloquium Brief are those of the author and do not necessarily reflect the official policy or position of the Department of the Army, the Department of Defense, or the U.S. Government. This brief is cleared for public release; distribution is unlimited.

Organizations interested in reprinting this or other SSI and USAWC Press articles should contact the Editor for Production via e-mail at SSI_Publishing@conus.army.mil. All organizations granted this right must include the following statement: "Reprinted with permission of the Strategic Studies Institute and U.S. Army War College Press, U.S. Army War College."